

Internal Assessment Test - I

Sub:	Management and Organisational Behaviour					Code:	18MBA11
Date:	4/11/2019	Duration:	90 mins	Max Marks:	50	Sem:	I
						Branch:	MBA

		OBE	
		CO	RBT
Part A - Answer Any Two Full Questions (20* 2 = 40 marks)			
1 (a)	<p>Management is the art of getting things done through others. Justify!</p> <p>Management is understood in different ways by different people. Economists regard it as a factor of production. Sociologists see it as a class or group of persons while practitioners of management treat it as a process. For our understanding, management may be viewed as what a manager does in a formal organization to achieve the objectives.</p> <p>In the words of Mary Parker Follet management is “the art of getting things done through people”. This definition throws light on the fact that managers achieve organizational goals by enabling others to perform rather than performing the tasks themselves. Management encompasses a wide variety of activities that no one single definition can capture all the facets of management. That is why, it is often said that there are as many definitions of management as there are authors in the field.</p> <p>However, the definition given by James A.F. Stoner covers all the important facets of management. According to him: “Management is the process of planning, organizing, leading and controlling the efforts of organization members and of using all other organizational resources to achieve stated organizational goals”.</p>	[03]	
		CO2	L5
(b)	<p>Briefly explain the characteristics of management.</p> <p>Characteristics of Management</p> <p>Management is a distinct activity having the following salient features or characteristics:</p> <p>1. Economic Resource: Management is an important economic resource together with land, labour and capital. As industrialization grows, the need for managers increases. Efficient management is the most critical input in the success of any organized group activity as it is the force</p>	[07]	
		CO2	L2

which assembles and integrates other factors of production, namely, labour, capital and materials. Inputs of labour, capital and materials do not by themselves ensure production, they require the catalyst of management to produce goods and services required by the society. Thus, management is an essential ingredient of an organisation.

2. Goal Oriented: Management is a purposeful activity. It coordinates the efforts of workers to achieve the goals of the organisation. The success of management is measured by the extent to which the organisational goals are achieved. It is imperative that the organisational goals must be well defined and properly understood by the managers at various levels.

3. Distinct Process: Management is a distinct process consisting of such functions as planning, organising, staffing, directing, and controlling. These functions are so interwoven that it is not possible to lay down exactly the sequence of various functions or their relative significance. In essence, the process of management involves decision making and putting of decisions into practice.

4. Integrative Force: The essence of management is integration of human and other resources to achieve the desired objectives. All these resources are made available to those who manage. Managers apply knowledge, experience and management principles for getting the results from the workers by the use of non-human resources. Managers also seek to harmonize the individuals goals with the organisational goals for the smooth working of the organisation.

5. Intangible Force: Management has been called an unseen force. Its presence is evidenced by the result of its efforts – orderliness, informed employees, buoyant spirit and adequate work output. Thus, feeling of management is result-oriented. One may not see with the naked eyes the functioning of management but its results are apparently known. People often remark of the effectiveness (or ineffectiveness) of management on the basis of the end results, although, they can't observe it during operation

6. Results through Others: The managers cannot do everything themselves. They must have the necessary ability and skills to get work accomplished through the efforts of others. They must motivate the subordinates for the accomplishment of the tasks assigned to them.

7. A Science and an Art: Management has an organised body of knowledge consisting of well defined concepts, principles and techniques which have wide applications. So it is treated as a science. The application of these concepts, principles and techniques requires

specialized knowledge and skills on the part of the manager. Since the skills acquired by a manager are his personal possession, management is viewed as an art.

(c) Explain in detail the five functions of Management.

[10]

CO1

L2

Leadership : the process by which a manager guides and Influences the work of his subordinates; and Motivation : the act of stimulating the people so that they give their best to the organization. Leading is a function predominantly interpersonal in nature. In the organizational context many problems arise because of the failure of managers to understand the people, their aspirations, attitudes, and behaviour as individuals and in groups. If the manager fails in leading the people towards better performance, any amount of planning and organizing, however effective they are, may not help the organization.

Controlling

Planning and controlling – the two functions are closely interrelated in that while plans specify the objectives to be achieved, control as a managerial function facilitates to know whether the actual performance is in conformity with the planned one. So that, in the event of deviations, appropriate corrective measures could be taken. In the absence of adequate control mechanism, unexpected changes in the environment may push the organization off the track. Thus, controlling implies measuring and correcting the activities to ensure that events conform to plans. That is why planning and controlling are often described as the ‘Siamese’ twins of management. It involves four main elements: ÿ Establishing standards of performance; ÿ Measuring the actual performance and comparing it against the standard performance; ÿ Detecting deviations, if any, in order to make corrections before it is too late; and ÿ Taking appropriate corrective measures.

2 (a) Give a brief outline on contributions of F.W Taylor towards Management thoughts.

[03]

CO2

L4

he Scientific Management Theory owes its origin to Frederick W. Taylor who is

regarded as “The Father of Scientific Management.”

He spent a large part of his life in Midvale Steel Company, Philadelphia, U.S.A. as an ordinary worker engaged in metal cutting. In 1833, he got an engineering degree and became an operating manager in the same company after some time.

He noticed that the industrial resources were not being fully used. Business enterprises are being managed by the rule of thumb. No systematic effort had ever been made to find the exact nature of the work to be done or the best way of doing it.

There was no proper division of responsibilities between management and workers. Management was mostly dependent for the successful performance of the work on the goodwill and skill of the workers. There was deliberate restriction of output which Taylor called ‘systematic soldiering’ on the part of the workers.

This state of affairs forced and encouraged him to improve the then existing practices of management. “He aimed at making management a science based on “well recognized, clearly defined and fixed principles, instead of depending on more or less hazy (unclear) ideas.”

His thinking on management is the subject-matter of the two books: Shop Management and Principles of Scientific Management which were published in 1903 and 1911 respectively. It was owing to the efforts of Taylor that scientific management became popular in U.S.A. in the beginning of the twentieth century.

He placed stress in his philosophy on the following things for enhancing the productivity of the workers:

i. Science, not rule of thumb.

ii. Harmony, not discord.

iii. Co-operation, not individualism.

iv. Maximum output, in place of restricted output.

v. The development of each man to his greatest efficiency and prosperity.

Meaning of Scientific Management:

In simple words scientific management implies the art of knowing exactly what is to be done and how it is to be done. Under this approach, scientific techniques are applied in the recruitment, selection and training of workers and are also used in tackling various industrial problems.

(b) What do you know about Levels of Management? Comment.

[07]

CO1

L1

Levels of Management

Front-Line or Supervisory Management This is the lowest level in the hierarchy of management. Usually the jobs at this level are the entry level positions into management profession. Managers at this level direct the operating employees (workers). They are close to the action for their job involves supervising the activities of operatives. Front-Line managers in the production department are called foreman, supervisor, superintendent, inspector and so on. For instance, in a manufacturing concern, in marketing, finance and others departments, they are called management trainees or junior executives. Similarly, in a government office, the term superintendent or section officer is preferred.

Middle level Management Middle management level includes in many organizations more than one level. Managers who work at levels between the lower and top levels constitute the middle management. Departmental heads, Regional managers, Zonal managers and so on fall in this category. They report to top managers. Their principal responsibilities are to direct the activities of lower level managers who implement the organization's policies.

Top level Management Top management constitutes the highest level in the management hierarchy. This is the policy making level in any

organization. This level consists of a small group of executives. Board of Directors, Chairman, Managing Director and the top functional heads such as COO, CIO, and such other C-suite managers, and divisional managers comprise this level. Top managers are responsible for the overall management of the organization. They decide the enterprise objectives, policies and strategies to be pursued to achieve the objectives. They provide direction to the organization by guiding its interactions with the environment.

(c) List the 14 Principles of Management by Henry Fayol.

[10]

CO2	L1
CO3	L1

Fayol's principles are listed below:

1. **Division of Work** – When employees are specialized, output can increase because they become increasingly skilled and efficient.
2. **Authority** – Managers must have the authority to give orders, but they must also keep in mind that with authority comes responsibility.
3. **Discipline** – Discipline must be upheld in organizations, but methods for doing so can vary.
4. **Unity of Command** – Employees should have only one direct supervisor.
5. **Unity of Direction** – Teams with the same objective should be working under the direction of one manager, using one plan. This will ensure that action is properly coordinated.
6. **Subordination of Individual Interests to the General Interest** – The interests of one employee should not be allowed to become more important than those of the group. This includes managers.
7. **Remuneration** – Employee satisfaction depends on fair remuneration for everyone. This includes financial and non-financial compensation.
8. **Centralization** – This principle refers to how close employees are to the decision-making process. It is important to aim for an appropriate balance.
9. **Scalar Chain** – Employees should be aware of where they stand in the organization's hierarchy, or chain of command.
10. **Order** – The workplace facilities must be clean, tidy and safe for employees. Everything should have its place.
11. **Equity** – Managers should be fair to staff at all times, both maintaining discipline as necessary and acting with kindness where appropriate.
12. **Stability of Tenure of Personnel** – Managers should strive to minimize employee turnover. Personnel planning should be a priority.
13. **Initiative** – Employees should be given the necessary level of freedom to create and carry out plans.
14. **Esprit de Corps** – Organizations should strive to promote team spirit and unity

3 (a) Write short notes on MBO.

[03]

Management by Objectives Management by Objectives (MBO) was first outlined by Peter Drucker in 1954 in his book 'The Practice of Management'. It is a systematic and organized approach that allows management to focus on achievable goals and to attain the best possible results from available resources. MBO aims to increase organizational performance by aligning goals and subordinate objectives throughout the organization. It managers focus on the result, not the activity. They delegate tasks by "negotiating a contract of goals" with their subordinates without dictating a detailed roadmap for implementation. Management by Objectives (MBO) is about setting yourself objectives and then breaking these down into more specific goals or key results. Ideally, employees get strong input to identify their objectives, time lines for completion, etc. MBO includes ongoing tracking and feedback in the process to reach objectives.

(b) What do you mean by Planning? Discuss the various Objectives of it.

[07]

CO2

L2

A plan is a forecast for accomplishment. It is a predetermined course of action. It is today's projection for tomorrow's activity. In other words, to plan is to produce a scheme for future action, to bring about specified results at a specified cost, in a specified period of time.

Management thinkers have defined the term, basically, in two ways:

1. Based on futurity: "Planning is a trap laid down to capture the future" (Allen). "Planning is deciding in advance what is to be done in future" (Koontz). "Planning is informed anticipation of future" (Haimann). "Planning is 'anticipatory' decision-making" (R.L. Ackoff).
2. As a thinking function: "Planning is a thinking process, an organised foresight, a vision based on fact and experience that is required for intelligent action" (Alford and Beatty) "Planning is deciding in advance what to do, how to do it, when to do it and who is to do it." (Koontz and O'Donnell) It is deciding in the present, what is to be done in future. It is the process of thinking before doing. A plan is a specific, documented intention consisting of an objective and an action statement. The objective portion is the end, and the action statement represents the means to that end. Stated another way, objectives give management targets to shoot at, whereas action statements provide the arrows for hitting the targets. Properly conceived plans tell what, where and how something is to be done.

Objectives of Planning:-

Forecast's the Course:

The most important ingredient of planning is forecasting. This is basically plan development as per policies and requirement of the organization.

Forward Bearing:

Planning provides specific forward momentum to all the activities in the organization by chalking out the future working procedure.

Assured Activities:

Planning drafts the policies, working procedure and decides controlling process

weaknesses, understand the problems they wish to solve and know what they gain. Setting objectives depends on the awareness. Planning requires realistic diagnosis of the opportunity situation.

Step # 2. Establishing Objectives:

This is the second step in the planning process. The major organisational and unit objectives are set in this stage. This is to be done for the long term as well as for the short range. Objective specify the expected results and indicate the end points of what is to be done, where the primary emphasis is to be placed and what is to be accomplished by the various types of plans.

Organisational objectives give direction to the major plans, which by reflecting these objectives define the objective of every major department. Major objectives, in turn, control the objectives of subordinate departments and so on down the line. In other words, objectives from a hierarchy.

The objectives of lesser departments will be more accurate if subdivision managers understand the overall enterprise objectives and the derivative goals. Managers should also have the opportunity to contribute their ideal to setting their own goals and those of the organisation.

Step # 3. Planning Premises:

After determination of organisational objectives, the next step is establishing planning premises that is the conditions under which planning activities will be undertaken. Planning premises are planning assumptions the expected environmental and internal conditions.

Thus planning premises are external and internal. External premises include total factors in task environment like political, social, technological, competitors, plans and actions, government policies. Internal factors include organisation’s policies, resources of various types, and the ability of the organisation to withstand the environmental pressure. The plans are formulated in the light of both external and internal factors.

The nature of planning premises differs at different levels of planning. At the top level, it is mostly externally focused. As one moves down the organisational hierarchy the composition of planning premises changes from external to internal. The major plans both old and new will materially affect the future against which the managers at lower units must plan.

Step # 4. Identification of Alternatives:

The fourth step in planning is to identify the alternatives. Various alternatives

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can be identified based on the organisational objectives and planning premises. The concept of various alternatives suggests that a particular objective can be achieved through various actions.

For example, if an organisation has set its objectives to grow further, it can be achieved in several ways like expanding in the same Field of business or product line diversifying in other areas, joining hands with other organisations, or taking over another organisation and so on. Within each category, there may be several alternatives.

The most common problem is not finding alternatives but reducing the number of alternatives so that the most promising may be analysed. Even with mathematical techniques and the computer, there is a limit to the number of alternatives that can be thoroughly examined. The planner must usually make a preliminary examination to discover the most fruitful possibilities.

Step # 5. Evaluation of Alternatives:

The various alternative course of action should be analysed in the light of premises and goals. There are various techniques available to evaluate alternatives. The evaluation is to be done in the light of various factors. Example, cash inflow and outflow, risks, limited resources, expected pay back etc., the alternatives should give us the best chance of meeting our goals at the lowest cost and highest profit.

Step # 6. Choice of Alternative Plans:

This is the real point of decision-making. An analysis and evaluation of alternative courses will disclose that two or more are advisable and beneficial. The fit one is selected.

Step # 7. Formulation of Supporting Plan:

After formulating the basic plan, various plan are derived so as to support the main plan. In an organisation there can be various derivative plans like planning for buying equipment, buying raw materials, recruiting and training personal, developing new product etc. These derivative plans are formulated out of the basic or main plan and almost invariably required to support the basic plan.

Step # 8. Establishing Sequence of Activities:

After formulating basic and derivative plans, the sequence of activities is determined so those plans are put into action. After decisions are made and plans are set, budgets for various periods and divisions can be prepared to give plans more concrete meaning for implementation.

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The overall budgets of an enterprise represent the sum total of income and expenses, with resultant profit or surplus, and budgets of major balance sheet items such as cash and capital expenditures. Each department or programme of a business or other enterprise can have its own budgets, usually of expenses and capital expenditures, which tie into the overall budget.

Part B - Compulsory (10*1=10 marks)

- 4
- (a) “Planning is an all pervasive and continuous function of Management”. Discuss the performance, role and importance of planning in the light of the foregoing statement. What are the limitations of planning? Suggest remedies.
- (b) To what extent, do you believe that managers you have known, in business or elsewhere have a clear understanding of their objectives? If, in your opinion, they do not, how would you suggest that they go about setting them?

[05]
[05]

CO4	L4
CO4	L4

Course Outcomes		PO1	PO2	PO3	PO4	PO5	PO6	PO7
CO1:	Comprehend and correlate all the management functions which are happening around with fundamental concepts and principles of management.	1a, 1c, 2b, 3b						
CO2:	Understand the overview of management, theory of management and practical applications of the same.	2c				1b, 2a,		
CO3:	Effectively use their skills for self-grooming, working in groups and to achieve organisational goals.					3a, 3c		
CO4:	Demonstrate their acumen in applying managerial and behavioural concept in real world/situations						4a, 4b	
CO5:	Understand and demonstrate their exposure on recent trends in management.							

Cognitive level	KEYWORDS
L1	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss

L3	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5	grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1 - *Knowledge application*; PO2 - *Analytical and logical thinking*; PO3 - *Team work*; PO4 - *Leadership*; PO5 - *life-long learning*; PO6 - *Analyze and practice aspects of business*; PO7- *Personal and Societal growth*;

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